



The Insolvency & Business Recovery Specialists

Creation Investments Limited (In Liquidation)

Liquidators' Tenth Report

For the period from 1 October 2013 to 31 March 2014

1 INTRODUCTION AND APPOINTMENT

Boris van Delden and Peri Micaela Finnigan, Insolvency Practitioners of Auckland, were appointed jointly and severally as liquidators of Creation Investments Limited ("the company") on 1 April 2009.

Pursuant to Section 255(2)(d) of the Companies Act 1993 ("the Act"), the liquidators herewith report on the progress of the liquidation. This tenth 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

This report has been prepared in accordance with section 255(2)(d) of the Act. 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 Westpac Bank Account** **(Statement of Affairs \$4,741)**
No funds have been received from the Westpac Bank.
- 3.2 Debtors** **(Statement of Affairs \$Unknown)**
The liquidators are collecting funds from a pre-liquidation tenant.
- 3.3 GST Refund** **(Statement of Affairs \$1,641)**
The liquidators received \$1,641 from the GST refund.

3.4 Office Equipment

(Statement of Affairs \$1,000)

After deducting sales costs the liquidators received \$4 from the sale of office equipment.

3.5 Tenancy

The Body Corporate cut off the services to the unit which resulted in the tenant moving out. The unit remains without services and is unable to be leased out.

4 INVESTIGATIONS

The liquidators have completed their investigation into the books, records and affairs of the company. No matters have come to the knowledge of the liquidators except for creditor claim matters covered elsewhere in this report.

5 CREDITORS' CLAIMS

5.1 Secured Creditor

Westpac has a mortgage over the property and has served a notice under Section 11a of the Property Law Act 2009, which is due to expire on 8 November 2013.

5.2 Creditors

The liquidators have received two creditors' claims, one from an unsecured creditor (MML Consumer Products Limited for \$137,305) and one from the body corporate totalling \$157,840.31 plus interest, and an as yet undetermined costs amount. No creditors' claims have been accepted by the liquidators.

The body corporate were successful in their legal case against the company in respect to a notice of rejection of claim. The company in liquidation, along with the other defendants, has appealed this decision and await a hearing date. The company in liquidation, along with other defendants, have withdrawn from the appeal.

5.3 Liquidators' Fees

Apart from the fees paid as shown in the receipts and payments report attached, the liquidators confirm that their outstanding time and cost for this liquidation has not been invoiced or paid from outside the liquidation.

The liquidators do not have an indemnity for their fees, and will only be paid subject to any priority or salvage issues if assets realise sufficient to clear secured creditors and unpaid body corporate levies (whatever that sum is decided or agreed to be).

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:

- Sale of unit by mortgagee sale/other sale.

8 ESTIMATED DATE OF COMPLETION

Based on the above the liquidators presently propose to complete all outstanding matters with a view to retiring as liquidators within the next twelve months, depending on the resolution of all outstanding litigation and possible sale of assets.

9 CONTACT DETAILS

Enquiries should be directed to the writer on DDI (09) 306 3342 or by email to bvandelden@mvp.co.nz.

The Liquidators can be contacted at:

McDonald Vague
Level 10, 52 Swanson Street
Auckland 1010

P O Box 6092
Wellesley Street
Auckland 1141


BORIS VAN DELDEN
LIQUIDATOR

DATED this 9th day of June 2014

Realisations and Distributions

Creation Investments Limited (In Liquidation) 1 April 2009 to 31 March 2014

| Realisations | As Per Statement of Affairs \$ | Cash Received \$ |
|--|---|------------------------|
| Westpac Bank Account Closure | 4,741 | 1,291 |
| Rent Received | - | 183,371 |
| Debtors – Dispute Recovery | Unknown | 10,286 |
| Sale of Assets – Computer Equipment | 1,000 | 4 |
| Pre liquidation GST Refund | 1,641 | 1,641 |
| Total Realisations | \$Unknown | \$196,593 |
| Payments | | |
| Liquidators Fees | | |
| Liquidators Fees | | 1,457 |
| Total Liquidators Fees | | \$1,457 |
| Other Costs of Liquidation | | |
| Rates | | 23,644 |
| Body Corporate Levies | | 27,969 |
| Bank Fees | | 233 |
| Insurance | | 1,757 |
| Debt Collection Costs | | 4,640 |
| Total Costs of Liquidation | | \$58,243 |
| Distributions | | |
| Distribution to Mortgagee – Interest and Principal | | 132,180 |
| Total Distributions to Unsecured Creditors | | \$137,016 |
| Total Payments | | \$192,154 |
| BALANCE HELD | | \$3,549 |