



McDonald
Vague

business recovery partners

Direct Building Limited (In Liquidation)

Liquidators' Third Report (for the period from 30 November 2017 to 29 May 2018)

McDonald Vague Limited

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1 INTRODUCTION AND APPOINTMENT

Boris van Delden and Peri Micaela Finnigan, CAANZ Accredited Insolvency Practitioners, of Auckland, were appointed jointly and severally as liquidators of Direct Building Limited ("the company") on 30 May 2017.

Pursuant to Section 255(2)(d) of the Companies Act 1993 ("the Act"), the liquidators herewith report on the progress of the liquidation. This third 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 not attached as there have been no realisations or distributions in the liquidation.

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)

The only identified asset of the company at the date of liquidation was outstanding debtors with a book value of \$19,016. Of that amount, \$14,016 is owed by the related companies, Cranston Homes (Auckland) Limited (In Liquidation) and Hereford Admin Limited (In Liquidation). The remaining \$5,000 amount is disputed by the client concerned and is uncollectable.

4 INVESTIGATIONS

The liquidators are continuing their investigations into the books, records and affairs of the company. The investigations being undertaken include the actions of the directors.

The director, Blair Cranston, is the subject of an investigation by the Registrar of Companies in relation to the management of the company. The liquidators have provided information to the Registrar in respect of that matter.

Mr Cranston was adjudicated bankrupt, on a creditor's application, in the High Court at Auckland on 1 March 2018.

5 CREDITORS' CLAIMS

5.1 Secured Creditors

No secured claims have been received.

5.2 Preferential Creditor

The Inland Revenue Department has submitted a preferential claim for \$1,139. 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 five unsecured creditors claim forms have been received totalling \$197,003. In the interests of minimising liquidators' fees, the liquidators will not attend to the formality of accepting or rejecting creditors' claims unless we are in a position to pay a distribution.

6 FUNDS / LIKELY OUTCOME

It is too early to determine whether or not there will be a distribution to unsecured creditors as this will depend on the outcome of the liquidators' investigations and the liquidations of the related companies.

7 MATTERS DELAYING THE COMPLETION OF THE LIQUIDATION

The following matters are outstanding:

- Completion of the investigations
- Completion of the related company liquidations

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 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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PERI M FINNIGAN
LIQUIDATOR

DATED this 31st day of May 2018