



McDonald
Vague

business recovery partners

FLYING CROSS TRUST LIMITED (IN LIQUIDATION)

McDonald Vague Limited

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Liquidators' Second Report For the period from 15 July 2022 to 14 January 2023

1 INTRODUCTION AND APPOINTMENT

Keaton Pronk and Iain McLennan, Licensed Insolvency Practitioners, of Auckland, were appointed as joint and several liquidators of Flying Cross Trust Limited (In Liquidation) ("the company") on 15 July 2022.

This report has been prepared pursuant to Section 255(2)(d) of the Companies Act 1993 (**Act**) for the purpose of reporting on the liquidation of the Company. A Statement of Realisations and Distributions has not been completed as there have been no realisations to date.

The report is being sent to all shareholders and all creditors who have filed a claim in the liquidation.

2 RESTRICTIONS

This report should be read in conjunction with the liquidators' previous report.

This report has been prepared using the information known to us. We have not independently verified the accuracy or reliability of the information provided or undertaken audit of the Company. We do not accept any liability whatsoever to any party arising from 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 UPDATED INTERESTS STATEMENT

We have not become aware of any circumstances, relationships, or other facts since we last prepared an interests statement that create, or could reasonably be perceived as creating, a conflict of interest for us in relation to our independence as liquidators.

4 CONDUCT OF THE LIQUIDATION DURING THE PRECEDING SIX MONTHS

During the reporting period:

- There have been no asset realisations since the liquidators first report.

- Commenced our investigation into the books and records of the business.
- The Property Law Act notice issued by the mortgagee is ongoing. The director is in the process of completing remedial work on the property.

Since our appointment, we have:

- Spoken with the director, creditor and other parties with knowledge of the affairs of the Company
- Uplifted and reviewed the Company's books and records
- Investigated the affairs of the Company and the reasons for its failure
- The director has indicated that he intends to apply for a termination of the liquidation. To date this application has not yet been made.

5 INVESTIGATIONS

The liquidators have investigations into the books, records and affairs of the company is ongoing.

There are no known current or pending proceedings for which the company is a party.

6 CREDITORS' CLAIMS

In the interest of minimising liquidator's fees, the liquidators will only formally accept or reject creditors' claims if there are funds available to pay a distribution.

The following claims have been received:

CLAIMS RECEIVED	NUMBER	VALUE	DISTRIBUTIONS	¢ IN THE \$
GSA Holders				
Specific Securities				
Employee Preferential Claims				
Applicant Creditor Preferential Claims	1	\$5,529.54	0	0
Unsecured Claim	1	\$5,066.90	0	0

There were outstanding rates against the property, these have subsequently been paid by the director.

7 LIQUIDATORS' FEES

The Company has not paid any liquidators' fees or disbursements to the end of the reporting period.

The liquidators' time costings to the cut-off date total \$14,216 plus GST, based on 44.75 hours of work undertaken are detailed in Appendix 1.

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.

8 FUNDS / LIKELY OUTCOME

It is too early to determine whether or not there will be a distribution to unsecured creditors.

9 COMPLETION DATE AND MATTERS DELAYING THE COMPLETION OF THE LIQUIDATION

The following matters are outstanding:

- Sale of the trust property.

There is no change to the estimated date of completion since our last report.

10 CONTACT DETAILS

Enquiries should be directed to Keaton Pronk on DDI +64 (9) 969 1518 or by email to kpronk@mvp.co.nz.

The Liquidators can be contacted at:

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Keaton Pronk
LIQUIDATOR (License No: IP107)

Dated this 17th day of January 2023

Appendix One

FLYING CROSS TRUST LIMITED (IN LIQUIDATION) BREAKDOWN OF LIQUIDATORS REMUNERATION AND EXPENSES FOR THE PERIOD OF THE LIQUIDATION

15 July 2022 to 14 January 2023

Time costs by Position and Work Type	Hourly rate	Appointment Functions		Asset Realisation		Creditors & Report		Management & Tax		Investigation		Total	
		Hours	Cost	Hours	Cost	Hours	Cost	Hours	Cost	Hours	Cost	Hours	Cost
Directors /Partners /Consultants/Liquidators	\$400	1.5	600	0.6	240	0.25	100					2.35	940
Forensic Accountants / Associates	\$300 - \$380	11	3,432	6.2	2,184	4	1,300	2.5	974	13	4,286	36.7	12,176
Insolvency Managers	\$140 - \$280	0.5	140									0.5	140
Insolvency Accountants	\$140 - \$200	4	720	0.2	40	1	200					5.2	960
Secretarial & Clerical Assistants	\$50 - \$170											0	0
Total		17	4,892	7	2,464	5.25	1,600	2.5	974	13	4,286	44.75	14,216

Disbursements	Cost
Airfares - domestic	
Local Travel	
General Expenses	363
Total	363

Work completed includes but is not limited to:

Appointment	All matters on the commencement of the appointment
Creditors	All communications, claims, reporting, enquiries
Asset Realisations	All matters in respect of the potential sale of assets/business/IP and subsequent sale of assets including trading/debtors
Management & Tax	All matters in respect of statutory reporting and the management of the file
Investigation	Analysis of bank statements, review of historic transactions and accounts to identify avenues for recovery