



McDonald
Vague

business recovery partners

Footsteps Trustee Company Limited (In Liquidation)

Liquidators' Second Report for the period from 10 March 2017 to 9 September 2017

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1 INTRODUCTION AND APPOINTMENT

Boris van Delden and Peri M Finnigan, CAANZ Accredited Insolvency Practitioners, of Auckland, were appointed jointly and severally as liquidators of Footsteps Trustee Company Limited ("the company") on 10 March 2017 by the High Court at Auckland.

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 **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

As advised in the liquidator's first report, the company was the corporate trustee of the Footsteps Trust (the trust) until 20 April 2016 when it was replaced by TAL 41 Limited. The trust owns 25 of 28 units in the property at 15 Karaka Street, Newton, Auckland. Title in the 25 units was transferred from the company to TAL 41 Limited (21 units) and to LSF Trustee Limited (4) on 6 May 2016.

Attempts to negotiate a settlement of the debts owed to the Auckland Council and the Body Corporate with the new trustees have been unsuccessful.

Statutory Demands were served on Tal 41 limited and LSF Trustee Limited on 27 June 2017. They have both filed applications in the High Court to have the demands set aside. This has been adjourned until 8 November 2017.

4 INVESTIGATIONS

The liquidators are continuing their investigations into the books, records and affairs of the company.

5 CREDITORS' CLAIMS

5.1 *Preferential Creditors*

Preferential claims have been received from the applicant creditor and the supporting creditor for their Court awarded costs of \$5,266 and \$1,338 respectively.

A further preferential claim of \$471, relating to a solicitors' lien on documents, has also been received.

The Inland Revenue Department had not submitted a preferential claim in the liquidation at the date of this report.

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

5.2 *Unsecured Creditors*

As at the date of preparing this report three unsecured creditors claim forms have been received totalling \$336,681. 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 LIQUIDATORS' FEES

Liquidators' fees accrued to the date of this report are \$15,795 including GST (\$13,735 excluding GST). The fees are based on 58.8 hours of work undertaken as follows:

Work Category	Hours	\$
Appointment & Commencement	15.67	3,346
Asset realisations	4.62	1,289
Creditors' claims, enquiries and reports	1.91	412
Taxation & Management	3.81	836
Investigations	32.87	7,852
Total	58.88	\$13,735

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.

In circumstances where no application has been made to review or fix the liquidators' remuneration the Court will be less inclined to rigorously examine the fees submitted by the liquidators for subsequent approval.

7 FUNDS / LIKELY OUTCOME

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

8 MATTERS DELAYING THE COMPLETION OF THE LIQUIDATION

The following matter is outstanding:

- The legal proceedings relating to the statutory demand are yet to be completed

9 ESTIMATED DATE OF COMPLETION

Based on the information contained in this report the liquidators are unable to estimate when the liquidation will be completed.

10 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 11th day of September 2017