



McDonald  
Vague

business recovery partners

## Kauai Enterprises (1997) Limited (In Liquidation)

### Liquidators' Fourth Report (for the period from 23 June 2018 to 22 December 2018)

McDonald Vague Limited  
Level 10, 52 Swanson Street,  
Auckland Central

PO Box 6092, Wellesley Street,  
Auckland 1141, New Zealand

p: 09 303 0506  
f: 09 303 0508  
e: [insol@mvp.co.nz](mailto:insol@mvp.co.nz)

[www.mvp.co.nz](http://www.mvp.co.nz)

#### 1 INTRODUCTION AND APPOINTMENT

Peri Micaela Finnigan and Boris van Delden, CAANZ Accredited Insolvency Practitioners, of Auckland, were appointed jointly and severally as liquidators of Kauai Enterprises (1997) Limited ("the company") on 23 June 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 fourth 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

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 Bank Account**

**(Statement of Affairs: \$60)**

The liquidators recovered \$11,588 on closure of the company bank account.

##### **3.2 Insurance Claim**

The sum of \$5,630 was recovered from an insurance claim made by the liquidators on behalf of a third party that had an ATM machine in the company's premises. The funds recovered were distributed to the third party less an agreed deduction for the liquidators' costs incurred in making the claim.

### **3.3 Sale of Business**

The company's business was sold for \$350,000 to two related entities. The value attributed to the business was based on an independent valuation provided by a registered business valuer and broker. Funds from the sale of the business were paid to the secured creditors.

### **3.4 Inventory**

**(Statement of Affairs: \$700)**

Inventory was included in the sale of business.

## **4 INVESTIGATIONS**

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

An overdrawn shareholder's current account was identified in the name of Alan Johnson. Payment has been received from Mr Johnson of \$11,500 towards the settlement of that debt.

## **5 CREDITORS' CLAIMS**

### **5.1 Secured Creditors**

Two secured claims were received in respect to General Security Agreements.

Leonora Faye Johnson	\$134,759 – Payment of \$134,533 has been made.
The Trustees of the Key Trust	\$230,000 – Payment of \$215,467 has been made.

Interest continues to accrue on the remaining amounts.

### **5.2 Preferential Creditors**

The Inland Revenue Department submitted a preferential claim of \$3,459. This amount has been paid in full.

### **5.3 Unsecured Creditors**

As at the date of preparing this report two unsecured creditors claim forms have been received which total \$4,388. 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.

We are aware of a potential claim from Watercare Services Limited of \$111,366 however, to date, no formal claim has been received.

## **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:

- Completion of the investigation of the books records and affairs of the company.

## 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 six months.

## 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:

McDonald Vague Limited  
Level 10, 52 Swanson Street  
Auckland 1010

P O Box 6092  
Wellesley Street  
Auckland 1141

  
PERI M FINNIGAN  
LIQUIDATOR

DATED this 21<sup>st</sup> day of December 2018

# Realisations and Distributions

## Kauai Enterprises (1997) Limited (In Liquidation) 23 June 2017 to 22 December 2018

Realisations	As Per Statement of Affairs \$	Cash Received \$
Bank Account Closure	60	11,588
Insurance Claim	-	5,630
Current account recovery	-	11,500
Interest	-	2
Sale of Business and Inventory	700	350,000
<b>Total Realisations</b>	<b>\$760</b>	<b>\$378,720</b>
<b>Payments</b>		
<b>Liquidators Fees</b>		
Liquidators Fees		20,422
Disbursements		385
<b>Total Liquidators Fees</b>		<b>\$20,805</b>
<b>Other Costs of Liquidation</b>		
Payment of Insurance Claim		4,456
<b>Total Costs of Liquidation</b>		<b>\$4,456</b>
<b>Distributions</b>		
First Ranking Secured Creditor		134,533
Second ranking secured creditor		215,467
Preferential GST and PAYE		3,459
<b>Total Distributions to Secured Creditors</b>		<b>\$353,459</b>
<b>Total Payments</b>		<b>\$378,720</b>
<b>BALANCE HELD</b>		<b>\$Nil</b>

Note: the above figures are GST exclusive