



McDonald
Vague

business recovery partners

KINNAIRD LOGGING LIMITED (IN LIQUIDATION)

McDonald Vague Limited

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Liquidators' Second Report For the period from 22 July 2021 to 21 January 2022

1 INTRODUCTION AND APPOINTMENT

Peri Micaela Finnigan and Colin Sanderson, Licensed Insolvency Practitioners, of Auckland, were appointed as joint and several liquidators of Kinnaird Logging Limited (In Liquidation) ("the company") on 22 July 2021.

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 is **attached** as Appendix 1.

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

Since our appointment, we have:

- Interviewed the director and other parties with knowledge of the affairs of the Company
- Reviewed available Company's books and records

- Investigated the affairs of the Company and the reasons for its failure
- Finalised a dispute process, that the company had entered into prior to the start of the liquidation. The company had filed a complaint in relation to its insurance brokers. The matter was settled and payment of \$16,600 has been received. Further details of the settlement are confidential.

The assets of the company have all been uplifted by the secured creditors. The Nissan Navara motor vehicle was subject to security in favour of Nissan Financial Services. There was no equity in the vehicle for the company and it has been disclaimed.

Machinery and equipment were subject to securities in favour of Heartland who also held a General Security. Heartland had uplifted the assets prior to liquidation and have subsequently sold all assets. The assets realised \$157,118 (excl. GST) leaving a shortfall to Heartland of \$318,277. This amount has been settled by the director & shareholder pursuant to his personal guarantee.

5 INVESTIGATIONS

The liquidators have completed their investigations into the books, records and affairs of the company.

The investigation identified an overdrawn shareholder's current account however, the amount paid by the shareholder to settle the Heartland debt exceeded the overdrawn amount of the current account and no further action is to be taken in relation that. There were no other matters identified that could be pursued for the benefit of creditors.

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	1	475,395	157,118	33
IRD Preferential Claims	1	41,579	10,600	25
Unsecured Claim	5	506,707	Nil	

As recorded in section 4 above, the GSA holder uplifted and sold the machinery and equipment.

A distribution of \$10,600 has been made to the Inland Revenue Department in relation to their preferential claim for unpaid GST and payroll taxes.

7 FUNDS / LIKELY OUTCOME

There is a short fall on the amount due to the preferential creditor. Therefore, the liquidator does not anticipate paying a distribution to unsecured creditors.

8 COMPLETION DATE AND MATTERS DELAYING THE COMPLETION OF THE LIQUIDATION

The following matters are outstanding:

- Completion of the administration of the liquidation

It is estimated that the liquidation will be completed during the next 6-month period.

9 CONTACT DETAILS

Enquiries should be directed to Colin Sanderson on DDI +64 (7) 838 0908 or by email to CSanderson@mvp.co.nz.

The Liquidators can be contacted at:

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Peri M Finnigan
LIQUIDATOR (Licence No: IP17)

Dated this 24th day of January 2022

Realisations and Distributions	2nd/subsequent	
	Since initial report	Since last report
Kinnaird Logging Limited (In Liquidation)		
22 July 2021 to 21 January 2022		
	21/01/2022	(last six months) movement
Realisations		
Insurance Settlement	16,600	16,600
Sale of Assets by GSA Holder	157,118	157,118
	-	-
Total Realisations	173,718	173,718
Payments		
Liquidators Fees		
Liquidators Fees	5,010	5,010
Disbursements	208	208
Total Liquidators Fees	5,218	5,218
Distributions		
Secured Creditor	157,118	157,118
Preferential GST and PAYE	10,600	10,600
	-	-
Total Distributions to Unsecured Creditors	167,718	167,718
		-
Total Payments	172,936	172,936
		-
BALANCE HELD	782	782