



McDonald
Vague

business recovery partners

**LS Property Developments Limited
(In Liquidation)
(As Corporate Trustee for
LS Property Development Trust)**

**Liquidators' Fourteenth Report
(for the period from 19 October 2017
to 18 April 2018)**

McDonald Vague Limited

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1 INTRODUCTION AND APPOINTMENT

Peri Micaela Finnigan and Roy Horrocks, Insolvency Practitioners of Auckland, were appointed jointly and severally as liquidators of LS Property Developments Limited ("the company") on 19 October 2011. Roy Horrocks resigned his position as liquidator on 5 April 2013 on the appointment of Tony Leonard Maginness as his successor. On 20 January 2016 Tony Leonard Maginness resigned his position as liquidator appointing Boris van Delden as his successor.

Pursuant to Section 255(2)(d) of the Companies Act 1993 ("the Act"), the liquidators herewith report on the progress of the liquidation. This fourteenth 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

This report has been prepared in accordance with section 255(2)(d) of the Act. 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

The company had no known assets at the date of liquidation

4 INVESTIGATIONS

As advised in previous reports, the liquidators initiated legal proceedings against the director and related entities (“the defendants”), funded by the Inland Revenue Department. A further individual was added to the proceedings was joined to the proceedings as a defendant on the application of the director.

An agreement has been reached between the liquidators and the defendants to settle all matters between them by way of the defendants making payment of a total of \$1.3 million over the period of 2 years from the date of the agreement. Further details of the agreement are confidential between the parties.

The proceedings related to the liquidation of this company and the related company, Gounden Investments Limited (In Liquidation) (“GIL”). The company has filed a claim in the liquidation of GIL for \$503,471 and, to date, has received a distribution of \$77,352 from GIL.

An amount of \$10,098 has been paid to IRD to partly reimburse funding provided for the litigation.

5 CREDITORS’ CLAIMS

5.1 *Preferential Creditors*

The Inland Revenue Department has filed a preferential claim for \$618,653 in respect of GST.

5.2 *Unsecured Creditors*

As at the date of preparing this report nine unsecured creditors’ claims have been received which total \$313,662. There are three claims from related companies. In the interests of minimising liquidators’ fees, the liquidators will not attend to the formality of accepting or rejecting creditors’ claims until such time as they are in a position to pay a distribution.

6 FUNDS / LIKELY OUTCOME

The liquidators will not be able establish whether or not there will be further funds available for distribution to the preferential creditor until the settlement funds have been received.

7 MATTERS DELAYING THE COMPLETION OF THE LIQUIDATION

The following matter is outstanding:

- Receipt of the settlement funds.

8 ESTIMATED DATE OF COMPLETION

Based on the above the liquidators expect it will be at least 2 years before the liquidation will be completed.

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 25th day of May 2018

Realisations and Distributions

LS Property Developments Limited (In Liquidation) 19 October 2011 to 18 April 2018

Realisations	Cash Received \$
Bank Account Closure	709
Distribution from Gouden Investments Ltd (In Liquidation)	77,352
Interest	9
Inland Revenue Department – Funding	38,756
Total Realisations	\$116,826
Payments	
Liquidators Fees	
Liquidators Fees	92,148
Total Liquidators Fees	\$92,148
Other Costs of Liquidation	
Legal Fees	14,580
Total Costs of Liquidation	\$14,580
Distribution	
IRD – Litigation funding reimbursement	10,098
Total Distribution	\$10,098
Total Payments	\$116,826
BALANCE HELD	\$Nil

Note: the above figures are GST exclusive