



McDonald
Vague

business recovery partners

Speedline Properties Limited (In Liquidation)

Liquidators' Fifth Report For the period from 8 January 2019 to 7 July 2019

McDonald Vague Limited

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1 INTRODUCTION AND APPOINTMENT

Boris van Delden and Iain McLennan, Accredited Insolvency Practitioners, of Auckland, were appointed joint and several liquidators of Speedline Properties Limited ("the company") on 8 July 2017.

Pursuant to Section 255(2)(d) of the Companies Act 1993 ("the Act"), the liquidators are reporting on the progress of the liquidation. This fifth 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 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 that exists as at the date of this report but that becomes known to us after that date.

3 CONDUCT OF THE LIQUIDATION DURING THE PRECEDING SIX MONTHS

Asset Realisations

3.1 Debtors

(Statement of Affairs - Book Value: \$353,055)

The company had no third-party debtors as at the date of liquidation.

An intercompany debt of \$270,957 was owed to the company by Sharpline Homes Limited (in liquidation) ("Sharpline"). The company lodged an unsecured creditor's claim in the liquidation of Sharpline for this amount. The liquidators of Sharpline have retired and Sharpline was removed from the Companies Register on 27 March 2018. No distribution was made to the company as an unsecured creditor of Sharpline.

An intercompany debt of \$80,891 is owed to the company by Broadvision Earthwork & Construction Limited (in liquidation) ("Broadvision"). The liquidators have lodged a claim in Broadvision's liquidation for this amount. The most recent report from Broadvision's liquidators says that a distribution to unsecured creditors is dependent on the liquidators recovering disputed debtor balances.

3.2 Refunds

The liquidators have written off the company's irrecoverable debtors and have obtained a GST refund of \$47,047.

The liquidators have received a refund of pre-liquidation ACC levies of \$550.

3.3 Interest

The liquidators have earned interest on funds held totalling \$89.

3.4 Vehicles

(Statement of Affairs - Book Value: \$47,672)

The company disposed of a number of its vehicles prior to its liquidation. All of the company's remaining vehicles were secured.

UDC has realised one of the vehicles over which it held security. The vehicle was sold for \$1,525 and the cost of sale was \$1,525. There was no net recovery to UDC.

We understand the secured creditors have not yet been able to locate and recover all of the vehicles over which the secured creditors hold security.

Any shortfall owing to the secured creditors in relation to the shortfall owing on the vehicles, after realisation, will be unsecured claims in the liquidation.

4 INVESTIGATIONS

The liquidators have investigated the books, records, and affairs of the company and have realised all known assets of the company.

The company's former director has a small overdrawn shareholder's current account balance. The liquidators do not consider that there will be a benefit to creditors in pursuing this small debit balance. This former director has had significant exposure to the company's creditors for debts incurred after his resignation arising from personal guarantees and he has made payments to these creditors pursuant to his personal guarantees, which has reduced the total amount owing to creditors. The liquidators are also aware that he is of limited means and is being supported by his family.

The liquidators' investigations did not identify any other actions that would likely lead to a recovery for creditors and note that the company's director is understood to currently be residing in China.

5 CREDITORS' CLAIMS

5.1 *Secured Creditors*

The liquidators have received four secured claims totalling \$58,324. Secured claims have been received from Bunnings Limited, UDC Finance, Heartland Bank, and Carters.

Brightcorp Investments Limited ("Brightcorp") had a security registered over the company's present and after acquired personal property. The liquidators wrote to Brightcorp requiring it to make an election in respect of its security within 20 working days. No election was made so Brightcorp's security (if any) has been taken as having been surrendered to the liquidators for the general benefit of creditors, in accordance with section 305(9) of the Companies Act 1993. Brightcorp's financing statement expired without being renewed.

The liquidators have accepted the now first ranking general security holder's claim against the company and have made a distribution to this creditor of \$6,904, being a distribution of 100 cents in the dollar.

5.2 *Preferential Creditors*

The Inland Revenue Department has submitted a preferential claim for \$30,578 for unpaid GST RWT, and PAYE.

The liquidators have accepted the Commissioner's preferential claim filed in the liquidation. The Commissioner has received a partial distribution of \$2,745 resulting from a set off of a pre-liquidation GST return filed after the commencement of the liquidation.

5.3 *Unsecured Creditors*

As at the date of preparing this report, the liquidators have received unsecured claims totalling \$10,332 relating to debts owing to three creditors. Any shortfall to secured creditors will also be unsecured claims in the liquidation.

In the interests of minimising liquidators' fees, the liquidators will not attend to the formality of accepting or rejecting unsecured creditors' claims unless we are in a position to pay a distribution.

7 FUNDS / LIKELY OUTCOME

Any distribution to unsecured creditors is dependent on the company receiving a distribution in the liquidation of Broadvision. The most recent report from Broadvision's liquidators says that they believe that they will complete Broadvision's liquidation within the next six months.

8 MATTERS DELAYING THE COMPLETION OF THE LIQUIDATION

The following matters are outstanding:

- Resolution of creditors' claims in the liquidation of Broadvision
- Payment of further distribution to creditors (if any)
- Advertising end of liquidation and retiring of liquidators

9 ESTIMATED DATE OF COMPLETION

The liquidators will not be in a position to retire until the liquidators of Broadvision have made their final distributions (if any) or have confirmed that no distribution to unsecured creditors will be made.

10 CONTACT DETAILS

Enquiries should be directed to Marisa Brugeyroux on DDI (09) or by email to mbrugeyroux@mvp.co.nz.

The liquidators can be contacted at:

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IAIN McLENNAN
LIQUIDATOR

DATED this 12th day of August 2019

Realisations and Distributions

Speedline Properties Limited (In Liquidation) 8 July 2017 to 7 July 2019

7 July 2019

Realisations	
Funds from Shareholders	500
Pre-liquidation GST refund	47,047
Interest	89
ACC Levy Refund	550
Total Realisations	\$48,186
Payments	
Liquidators Fees	
Liquidators' fees	36,326
Disbursements	1,202
Total Liquidators Fees	\$37,528
Other Costs	
Resident Withholding Tax on Interest	19
Total Costs of Liquidation	\$19
Distributions	
Distribution to Secured Creditor	6,904
IRD re Preferential GST and PAYE	2,745
Total Distributions	\$9,649
Total Payments	\$47,196
BALANCE HELD	\$990

Note: the above figures are GST exclusive